DOCUMENT RESUME

ED 398 654 EA 027 834

AUTHOR Safranek, Thomas W.; Usyk, Patricia A.
TITLE Steps for Launching a Capital Campaign.
INSTITUTION National Catholic Educational Association, Washington, D.C.
REPORT NO ISBN-1-55833-178-6
PUB DATE 96
NOTE 74p.
AVAILABLE FROM National Catholic Educational Association, 1077 30th Street, N.W., Suite 100, Washington, DC 20007-3852.
PUB TYPE Guides - Non-Classroom Use (055)

EDRS PRICE MF01/PC03 Plus Postage.
DESCRIPTORS *Catholic Schools; Corporate Support; *Donors; Elementary Secondary Education; Financial Support; *Fund Raising; *Institutional Advancement; Institutional Mission; Long Range Planning; Needs Assessment; *Private Financial Support; School Funds; Strategic Planning

ABSTRACT

The capital campaign in the Catholic elementary and secondary school must be viewed as an essential component in the total development program. This document addresses many of the specifics regarding the proper positioning steps and procedures for a capital campaign. The introductory chapter provides a historical overview of the capital campaign. Chapter 2 explains why the campaign must be part of the total development focus, and chapter 3 offers guidelines for evaluating capital-campaign readiness. Procedures for conducting an internal performance audit of the existing development program are outlined in the fourth chapter. Chapter 5 highlights the steps to be taken before beginning the campaign--developing a mission statement, formulating a long-range plan, and creating an institutional case statement. Chapters 6 through 9 describe the phases of the campaign, specific campaign activities, and campaign models and sample budget. The ninth chapter discusses the benefits of using external counsel and the roles of campaign leadership. The concluding chapter reiterates that the capital campaign has proved to be the most cost-effective method for raising a significant amount of money within a condensed time frame. It also stresses the value of volunteers. Appendices contain samples of mission statements and a pledge card, an organizational leadership chart, and 21 suggested readings. (LMI)

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Steps for Launching a Capital Campaign

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Steps for Launching a Capital Campaign

by
Thomas W. Safranek & Patricia A. Usyk

Edited by Sister Mary E. Tracy, SNJM

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1077 30th Street, NW, Suite 100
Washington, DC 20007-3852
ISBN 1-55833-178-6

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Dedication

This publication is dedicated in loving memory to Thomas W. Safranek, co-author. After completing the entire manuscript in fall, 1995, his unanticipated death saddened family, friends and colleagues.

May *Steps for Launching a Capital Campaign* impact the growth of Catholic elementary and secondary schools just as his life touched the hearts and minds of generations of development practitioners.

About the Author

Patricia A. Usyk has been director of development at St. Gregory the Great Parish/School (Grades K-8) since 1991. During that time she has conducted a $4 million capital campaign, which exceeded its goal by $700,000. Mrs. Usyk was director of development at St. Rose of Lima Elementary School in Miami Shores, Florida, where she was responsible for raising $2 million for the endowment program. She is founder of the Florida Catholic Development Directors Association. This association places special emphasis on the tri-county area of Dade, Broward and West Palm Beach. She has conducted several seminars on development. She received the Distinguished Faculty Award from Catholic School and Parish Development June 30, 1994. She was a panelist for the National Catholic Educational Association's (NCEA) "Building a Premier Development Program in a Catholic School" in May 1994. She is a frequent presenter at NCEA conventions; she earned her B.A. & M.A. from Barry University, Miami Shores, Florida.

Foreword

The capital campaign in the Catholic elementary and secondary school has become a significant program in the development operation. A major campaign holds the potential to instill institutional vigor, transform volunteer commitment, create momentum and attract unprecedented resources.

Thomas Safranek and Patricia Usyk are to be commended for crafting a thorough and substantive review of pre-campaign steps and campaign design. Their respective experiences as consultant and development director equip them with reliable authority as authors.

I thank the critical reviewers of the manuscript: Janet Burke, development director, Xavier College Preparatory, Phoenix, AZ; Sr. Kathleen Collins, SFCC, associate executive director, elementary schools department, NCEA; and C'Ann Reilly, principal, Our Lady of Peace School, Wheeling, WV. Tracy Toon, administrative assistant for the NCEA secondary schools department, also deserves special recognition for her editorial efforts.

Sister Mary E. Tracy, SNJM
Assistant Executive Director
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Acknowledgements

The authors acknowledge Mrs. Mary Lou O'Brien, administrative assistant at St. Gregory the Great. Mrs. Usyk gives special acknowledgement to her mentors Jerry A. Jarc, CSPD, Cleveland, Ohio and Msgr. Noel T. Fogarty, pastor of St. Gregory the Great; men who over the last decade have shared their experiences in development, marketing and nonprofit governance and taught the process of development—especially capital campaigns.

I. Introduction

The capital campaign has undergone a tremendous evolution since its beginnings in the early part of this century. America's first capital campaign manager was Benjamin Franklin who established a free lending library for the City of Philadelphia. Many of the methods for the capital campaign have been borrowed from the late Mr. Charles Sumner Ward, founder of the consulting firm, Ward, Dreshman and Reinhardt, who in 1905, utilized the short-term intensive procedures for a YMCA capital campaign in Michigan.

The intensive capital funds appeal was a unique response to the needs and desires of a specific institution. The early capital campaign offered primarily only one product—building projects. The campaign for endowment was not yet developed. In addition, sequential patterns of giving, which included traditional gift standards, evolved from many of the concepts practiced by Charles Sumner Ward.

Prior to the 1970s, the capital campaign placed emphasis on correct technical applications. A good capital fundraiser was defined as one who demonstrated excellence in organizational skills as well as in possessing capital campaign techniques. Regardless of how minute the detail, many worked within a time and sequence design wherein everything flowed smoothly within a condensed time frame.

The intensive capital funds drive was a unique American response to the need and the desire to provide necessities for an identified segment of the community. At the beginning of this century, the vast majority of Americans lived in relatively self-sufficient villages and towns which constituted a nearly homogeneous population. This population adhered to the same values, subscribed to the same folkways, and exhibited pride in "our town" and its institutions.

As a result of the closely held reins of power in the community, the feasibility or planning study usually involved a survey of thirty or so innovators. Professional capital campaign consultants talked to the mayor, the leading clergy, the newspaper editor, president of the local bank, local business people and landowners. It was accepted that should the leadership of the town agree to the program, the townspeople would then follow. This assumption was extended to sequential giving in the implementation of standards based on a *rule of thirds*. This rule identified a goal that established a reasonable level of giving, where the most important *lead gifts* were solicited first, and 50 to 60 percent of the goal committed silently; the remainder would follow in descending order of gift size.

For many years, knowledgeable fundraising practitioners have been aware that the intensive community campaign, which served the nonprofit sector so well in the past, became grossly unreliable when used in many metropolitan areas. There is no reason to wonder, for the typical intensive campaign is based on a model developed for the rural midwest.

Since the late 1970s, conglomerates have merged with other conglomerates. The capital campaign has grown to record breaking $1 billion goals with comprehensive case statements: annual fund, building, program, endowment. In addition, many have abandoned the rule of thirds standard of giving to tailor specific situation formulas relevant to their constituencies; top lead gifts now comprise about 20 to 25 percent of most campaign goals.

More importantly, because of the work undertaken by a Harvard educated gentleman at Northwestern University, there are new techniques available. The intensive and applied genius of Dr. Philip Kotler, author of several leading best sellers including his co-authored book with Karen Fox entitled *Strategic Marketing for Educational Institutions*, has impacted giving across the country. Dr. Kotler applied marketing principles that had served American business so well to nonprofit institutions.

Today a capital campaign is currently thought of as a planned mobilization of friends supporting a cause or institution, for a voluntary solicitation of proportionate gifts from an informed constituency, always toward a specific goal or objective and usually within a specified period of time.

As the 21st century nears, the capital campaign must be viewed as an essential component in the total development program. The capital campaign:

- Creates an opportunity to build new enthusiasm and train new development volunteers as well as implements institutional leadership
- Raises the goals and broadens the base of new philanthropic support
- Features greater visibility for all current and future development efforts
- Enhances the effectiveness of the annual fund and planned giving programs, if coordinated appropriately, so that the program continues to grow in depth and relevance

II. The Total Development Focus

Advancement programs should concentrate on total development. Perhaps the development function can best be described by the following formula. (This is not a mathematical equation, but a proven teaching device.)

Model #1

$$\frac{A\,(B/S) + P\,(A/F) + N/O}{C + C^2 + P\,(R) + V + ASK} \times DP \; \frac{S + B}{A + C + P} \times S/G = \$\$$$

Explanation:

A - Authenticators	C - Case	DP - Development Plan
B - Governing Board	C^2 - Conditioning	S - Staff
S - Sponsors/Council	P - Prospects	B - Budget
P - Plans	R - Research	A - Annual Giving
A - Academic	V - Volunteers	C - Capital Giving
F - Financial	ASK - The Asking Process	P - Planned Giving
N - Needs	G - Goals	S - Schedule
O - Opportunities		

* Credit is given to Arthur Franzreb of Alexandria, Virginia.

The Campaign as a Major Component of a Comprehensive Development Program

Annual Fund—defined as that fund which is the result of annual support of repeat or new monies not covered by the operational budget. It must be emphasized that the annual fund needs to be kept in place. Quite often campaign committees/institutions utilize a dual request to secure both an annual fund and capital campaign gift.

Planned Giving/Estate Planning—defined as a carefully designed program to secure a major or once-in-a-

lifetime ultimate gift from individual or family assets. Mature prospects must be identified for solicitation and cultivation.

The following planned gift opportunities should be suggested but not limited to the following:

- Charitable lead trust
- Legacies
- Gifts of appreciated property, securities
- Unitrust
- Pooled income funds
- Life insurance policies
- Charitable remainder trust
- Annuities

Matching Gifts—identify companies who will match pledges to a capital campaign as the donor's pledge is made. The Council for the Advancement and Support of Education (CASE), located in Washington, DC, publishes an annual listing of companies who will possibly match funds given by those whom they employ.

Challenge Gifts—utilized increasingly for annual fund programs as well as for capital campaigns. They are often used in the alumni phase to motivate givers.

Often when dealing with a major donor prospect, the solicitation involves the formulation of three requests: the capital gift, the planned gift and the legacy. In any capital campaign the top 5 percent of donors should be targeted for the requests. In the 1970s Mr. Adrian Cockerill developed a formula for a Yale University campaign which was simply stated 1X-5X-15X. In other words, the securing of the capital campaign gift represented 1X. Should a donor give a planned gift, that gift would represent five times the capital campaign gift. Thus, the 15X represents the estate gift or legacy gift, which totals fifteen times the amount of the campaign gift. Therefore, to simplify the formula:

- 1X - is the capital campaign gift
- 5X - is five times the value of the pledge by also securing the planned gift
- 15X-represents fifteen times the amount of the original gift through securing planned gift assets

Ultimately, capital giving is planned giving, and planned giving is capital giving. The major reason people neglect to

enhance their personal financial planning, or to boost campaign potential and outcome, is the outdated perception of the campaign as an immediate goal rather than a component of a long-range plan for the full development of the greatest aggregate financial support an institution is capable of building. The traditional development organization, which separates capital acquisition from planned giving, then seems irrational. These two efforts are really one, and a synthesis is apparent in mature development programs where programmatic or intensive capital acquisition means the development of planned major gifts, legacies and testamentary substitutes from the donor.

Today's campaigns seek carefully planned packages which comprise current gifts, trusts and bequests from individuals through heavy emphasis on donor financial planning (DFP). Any capital campaign lacking the appropriate emphasis on campaign-related donor financial planning is simply not an all-out effort and will fail to achieve a goal that measures its full potential. Tailored, planned major gifts and legacies are essential to modern campaign success and to long term capital acquisition for endowment. A campaign is a means to an end rather than an end in itself—the major planned gift package from the wealthholder being the reward for all that is done in fundraising.

Donors

As an integral part of the total development focus, solicitors in the 1990s must understand individuals in terms of a perceived personality type. More and more development staff are becoming involved in direct solicitation of prospects and they need to understand the following behavioral groups and their tendencies.

The Type A personality might be associated with people who display:

- a high work ethic
- appear result and task oriented
- communicate a basic fear of being taken advantage of
- a refusal to consider others views and feelings

The Type B personality tends to reflect a social "bumble bee" or "butterfly" characteristic. The common behavioral tendencies include:

- optimistic
- socially oriented, very talkative and flexible
- motivated by social acceptance
- fearful of social rejection

The Type C personality tends to reflect a certain possessiveness, a desire to be in complete control of things. The Type C may bear these basic characteristics:

- being pragmatic: the team player type
- concrete action oriented
- motivated by traditional practices
- fearful of losing stability
- lead lives of "order" and "tranquillity"

The Type D personality can be described as detailed and self-disciplined. Common behavioral tendencies may include:

- accurate, motivated by precision quality control
- highly intuitive
- motivated by the "proper" way
- fearful of having others criticize their work effort
- privately over critical and demanding of themselves as well as others

Model #2
Personality Types

	Non-verbal	Verbal
Non-assertive	D	A
Assertive	C	B

Credit given to Dr. Gayle Carson of Miami, Florida

While the categorizations may lack substantial psychological credibility, recognizing the varying A, B, C, D personalities may assist in communicating more effectively with donors. Today solicitors must ask themselves, "What can our institution do for our donor?" Solicitors must know what appeals to a donor's interests. Solicitors must never ask themselves, "What can this donor do for the institution?" Institutions have opportunities for the donor, not needs.

Deep Sell

To understand the total development focus more fully, solicitors must understand that the "hard sell" approach is waning. "Save Our School" may have a nice ring to it, but it won't motivate a prospect to make a gift, especially if the donor is not committed to the institution. The 1980s "soft sell" approach, while less insulting, is by far too easygoing and indirect. "Perhaps you can help keep our school open?" is simply not forceful enough.

Today, solicitors succeed when they adopt a *deep sell* approach to both institutional development solicitations as well as to capital campaigns. The best way to influence and motivate donors is try to understand their viewpoint—and then base communication on that understanding. Dr. Philip Kotler in *Marketing For Non-Profits* comments that instead of setting out to change a person's desires a school community should respond to the desires a donor already holds.

Development aims to move both potential donors and volunteers. This can be done on two levels: first, to move people emotionally, and second, to move them to direct action. Whether the objective is to encourage a board member to make an appointment with a prospect or to encourage a prospective donor to make a substantial investment, the solicitor must first move people emotionally. Then, they will take direct action. In marketing, this technique is referred to as *positioning*. The solicitor tries to position the appeal in a person's mind—a mind that usually places work, family or religion ahead of an institution's concerns.

In today's highly competitive environment for philanthropic dollars, when seeking to capture and hold the attention of the same small group of leaders, the "hard sell" and the "soft sell" are equally ineffective. Only through the 1990s "deep sell" which springs from the values and aspirations of the donors and volunteers themselves, can one expect to succeed in reaching the donors and move them to give of their time, talent and financial resources.

"The word 'philanthropy' comes, as you know, from the Greek words 'philo anthropos'. It literally means, according to Webster, "Love of humankind; devotion to human welfare; good will to all."

—Charles N. Wonacott

III. Evaluating Capital Campaign Readiness

Prior to undertaking a capital campaign, the following checklist of factors should be present in the proper proportions, for if they are not, the undertaking is likely to encounter problems.

- There must be a total commitment by the entire institutional constituency to the campaign.
- There must be a known constituency including prospects with potential for making substantial major and ultimate gifts.
- The school's mission must be well-defined, important, relevant and appealing to both internal and external constituencies.
- The majority of the constituency must have faith and confidence in the institution and its leadership.
- The case statement must be compelling to a majority of the institution's key benefactors.
- There must be evidence of sound long range/strategic planning and confidence in the planning and management processes, with the institution demonstrating sound financial management through a consistently balanced operating budget.
- The campaign goal must be within the philanthropic giving capacity of the constituency. (Financial need and a long list of projects needing to be funded do not determine feasibility.)
- There must be a commitment to give the highest

priority to obtaining major gifts.

- The institution must make a financial commitment to adequate staffing, campaign budgeting and securing campaign counsel at appropriate levels of time and funding.
- There must be a commitment to recruit leadership of the highest quality—the core of individuals who are willing and able to provide the necessary organizational and financial commitment as well as external contacts.

Leaders of an institution who feel that they may be embarking on a treacherous journey for a capital campaign need to examine a number of areas. Some common danger signals could include:

- lack of commitment from the institution
- lack of commitment of board members
- lack of a master plan, mission statement or a vision coming from the institution's chief executive officer and board
- omission of unexciting needs and opportunities that were affirmed in the the feasibility/planning study process
- absence of potential to secure major gifts
- questionable volunteer and contact leadership availability or potential
- rapid turnover of an institution's chief executive officer (CEO), development staff, volunteer leaders or board members

Potential for obtaining support from foundations and corporations should be reviewed when evaluating the readiness to conduct a capital campaign. Often, obtaining a windfall gift or challenge gift from a foundation or corporation, may make the difference in a capital campaign's achieving its maximum potential.

Prospect research needs to be conducted regarding the foundation or corporate potential. The appropriate time to test this research is during the feasibility study process when individuals are introduced to the institution's plans and invited to express their level of commitment. Development office personnel should conduct research on local and national foundations and corporations which match

an institution's case and have an historical pattern of giving to elementary and secondary schools.

Hints to Secure Foundation and Corporate Support

Understanding Types of Foundations

1. Family foundations—established by individuals or families with assets to support a limited number of activities of interest to the founders.
2. General foundations—established to support a wide range of activities and usually run by a professional staff.
3. Community trusts—established in cities or regions and composed of smaller foundations whose funds are pooled for greater effect.
4. Corporate foundations—established by corporations with funds derived from endowment or current income.

Writing an Effective Proposal

A brief outline for a corporate or foundation proposal should include:

1. Cover Letter—signed by the head of governing board and president/principal, if appropriate.
2. Project title—fewer than 10 words.
3. Project summary—200 words or fewer which describes the purpose, timing, and dollar requirements. In addition, validates organization submitting the proposal.
4. Problem statement or needs assessment—validates the existence of unmet needs in the community, defines the client group to be served and acknowledges what has been done in the past, or is currently being done, to address the problem by other groups, as well as the organization submitting the proposal.
5. Objectives—specific, explicit, measurable statements of what the project will achieve in addressing the problems described in the previous statement. Avoid overly ambitious statements which may not be supportable.
6. Methods—the "how" related to the "what" of the objectives. A detailed description of the activities to be implemented in providing a solution to the iden-

tified problem. Must include information on the people who will be key implementors plus data on why the chosen methodology is superior to anything tried in the past or is currently being attempted.

7. Evaluation—the description of tools and/or procedures to be used in determining whether or not the objectives have been achieved and the methods used appropriate.
8. Short and long range plans—analysis of how the program will continue, including an evaluation of long term funding requirements and sources for that support.
9. Budget—personnel, facilities, equipment, supplies, communications, travel, dues, subscriptions.

"The main thing is to have an idea and a clearly thought out plan to accomplish something important...The project or program should be concisely described in straight forward English, with a minimum of technical jargon."

— Manning Pattillo, November 1982

Suggestions when approaching a foundation

1. Obtaining an interview
    a. The telephone approach
    b. The letter approach
2. Meeting with the foundation directors
    a. Preparation
    b. The dress rehearsal
    c. The dialogue
    d. Follow-up
3. Proposed packaging
    a. What has traditionally worked for that foundation?
    b. What are their published guidelines?

Securing support from foundations

The development director, school head and board must work together to secure foundation and corporate support.

1. Work continuously to identify those foundations who are interested in the institution's programs and projects.
2. Concentrate on those foundations with a relationship or link to the school.
3. Foundations are interested in bold ideas, not just needs.
4. Timing is important.
5. State the school's case in a clear, concisely written proposal.
6. Approach the foundation through a local contact, if possible.
7. Invite foundation officials to visit the school at a specific time.
8. Follow-up is critical; do so in 5 days.
9. Follow the foundation's preferences about publicizing and acknowledging the gift.
10. Be sure to report within a reasonable time frame to the foundation's officers on how the grant was used.

When conducting a capital campaign or seeking foundation or corporate support on an ongoing development program basis, it is important to distinguish between them. Corporations regard gift giving as a minor activity, while

it is the major activity for foundations. Traditionally, corporations tend to pay more attention than foundations to the direct and indirect benefit that any grant may return to them. Corporations tend also to award a greater variety of gifts than foundations.

Characteristics of the best prospects for corporate funding

1. Local corporations—Corporations located in the immediate community find it difficult to refuse support to worthwhile local institutions.
2. Kindred activities—Corporations operating in a kindred field to that of the school are excellent prospects.
3. Declared areas of support—An institution should target corporations that have a declared interest in supporting its type of area. Development directors should review company annual reports or prospecti for patterns of charitable giving.
4. Large donors—Large corporations and those with generous giving levels are good prospects, yet one must realize that large companies receive numerous requests and may favor institutions in a local area or kindred field. Research suggests that large corporations with no direct tie to the institution are not strong prospects.
5. Personal relationships or contacts—Institutions should review their personal contacts as an indicator to corporations that the school head, development director and board members may solicit through a webbing contact. Corporations tend to respond to peer influence.
6. Specific capability—A development officer may identify a corporation as a prospect because the corporation has a unique resource needed by an institution. A school, for example, might solicit a company seeking technology, fine arts equipment or maintenance services.

Model #3

Prospective corporate donors (classified according to level of interest and giving potential)

Interest Potential	Giving Potential: High	Medium	Low
High			
Medium			
Low			

Summary of corporate proposal

1. Letter should include:
   a. recognition of gift and appreciation for previous gift(s)
   b. description of the work and organization
   c. evidence of recent achievements to illustrate sound management
   d. brief description of the project and relationship to corporate objectives
   e. evidence of the advantages the organization offers to corporate employees
   f. an opportunity to meet with corporate giving officers to discuss the project and answer any questions
2. Appendices or attachments should include:
   a. table of contents
   b. application form (if required)
   c. description of project
   d. supporting statements or quotations
   e. audited financial statement
   f. IRS Tax Exempt Statement
   g. annual report
   h. other pertinent brochures, surveys, organization information

Common reasons foundation proposals are declined

- The need hasn't been documented properly.
- The project does not seem significant to the reviewer—fails to motivate.

- Prospective client groups have not been involved in planning and/or determining the project goals.
- The proposal is poorly written; it is difficult to understand.
- The proposal's objectives do not match the objectives of the funding source.
- The proposal's budget is not within the range of funding available through the funding agency.
- The proposal's program has not been coordinated with other individuals and organizations working in the same area.
- Funding source does not know the capabilities of those submitting the proposal.
- Project objectives are too ambitious in scope.
- The writer did not follow guidelines provided by the funding agency.
- There is insufficient evidence that the project can sustain itself beyond the life of the grant.
- Pre-evaluation procedure is inadequate.

Checklist for evaluating rejected proposals

- How closely do the corporation's charitable goals and priorities match those of the requesting organization?
- What benefits can the corporation expect in return for contributing funds or professional services to this school?
- How effective from a cost/benefit perspective is the requesting school in delivering its programs or services?
- Does the school's board of directors effectively represent the community at large as well as the constituency it is chartered to serve?
- Is the school requesting a realistic gift in view of the activities it expects to support?
- Is the school's request for funding within the limits of what the corporation can support?

"Don't judge each day
by the harvest you reap, but by the seeds you plant."
— Robert Louis Stevenson

IV. Appraising the Need for a Campaign

The Internal Development Audit

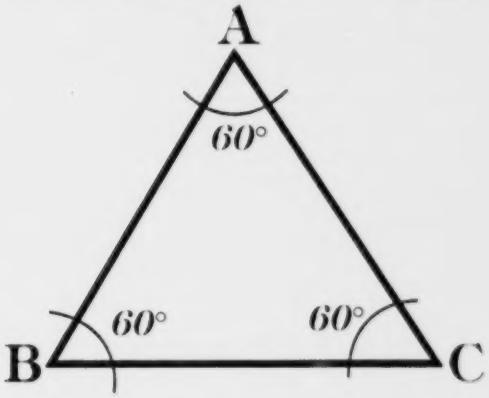
The first step prior to launching a capital campaign should be to arrange an internal performance audit of the existing development program. An internal performance audit will provide specific recommendations to build on existing strengths and remedy identified weaknesses. In other words, an institution must have its internal development structure in order prior to seeking external funding.

An internal development performance audit critically evaluates the following:

- An institution's planning and mission
- The quality of the school administration
- Campaign leadership
- Volunteers
- Public relations and publications
- Alumni programs
- Fund raising potential
- Prospects
- Personnel
- Budget

Experienced consultants often utilize the *ideal equilateral triangle* model when conducting the internal development audit. This model is used to mathematically measure whether or not an institution meets basic criteria needed for conducting a successful capital campaign.

Model #4
The Ideal Equilateral Triangle



A. CEO
B. Chair of the board
C. Director of resource development

As this model indicates, each of the angles is assigned a value of 60. Thus, an institution receiving a perfect score would achieve 180. If the CEO, president or principal of St. Victory School dislikes fundraising, and if there is poor direction on development, it could seem reasonable that this person may receive a low score of 15.

Conversely, St. Victory School may be fortunate to have an experienced director of development who likes people, has the confidence of the board and the school's constituency, and has taken the development program from zero in 1990 to $300,000 in 1996. St. Victory School's total operational budget is just over $1 million for the 1995-96 school year. Therefore, it may seem reasonable that the director of development may receive a score of 50.

One of the most overlooked and yet one of the major leaders in the development process is the school's chairperson of the board. Should St. Victory School's chairperson not enjoy fundraising, dislikes the CEO, tries to impose views at board meetings, refuses to make solicitation calls and is not recognized as a community leader, any hopes for philanthropic success would seem improbable. A consultant may assign a score of 18.

The three scores total 83 which seems low in relationship to the 180, of the ideal equilateral triangle. St. Victory School may be wise to heed the consultant's advice to defer

launching a capital campaign, and immediately recommend that both the chair of the board and CEO, president or principal become more educated about their roles and how these roles fit into the whole concept of institutional development.

The Feasibility/ Planning Study

Prior to initiating a capital campaign a feasibility study is usually conducted by external counsel. The purpose of the feasibility study is to determine how much money an institution can raise for a specific purpose. Who will be the contributors? Who will be the volunteers? Who will assist in raising the money? Who will assume campaign leadership positions?

Fundamentally, the feasibility/planning study involves a review of an institution's needs and the opportunities available through philanthropic investment in the institution. The process involves the development of a preliminary vision case statement which can be made for supporting these needs.

If using a consultant, it is very important to select one who has had many years of experience in conducting philanthropic studies. The rationale for this rests with the selection comparisons of institutions, goals, matching similar cases of support and experience with similar campaign situations that need to be made.

Three measures are important in gauging the fund raising potential for a capital campaign: statistical, historical and cross-cut. The statistical method provides the range of giving of which the community is capable (a measure of capacity rather than probability). The historical method involves examination of the track record of the community or constituency. The cross-cut method includes actual interviews to determine the disposition of persons who will ultimately control various sources of major gifts, or who possess the power to influence the outcome of a campaign. Taken together and analyzed by an experienced objective consultant, these analyses will provide the institution with some guidance in establishing a realistic goal.

The benefits of using a consultant for the campaign process will be detailed later in this book. However, the

benefits of an experienced interviewer conducting a feasibility/planning study include:

- A written analysis of the institution's readiness to achieve specific goals (short and long term)
- An assessment of one's constituency and community attitudes toward the institution
- Careful analysis of the philanthropic potential available utilizing the statistical, historical and cross-cut analyses
- A series of concise recommendations balanced with a number of viable options
- Providing new insights into the donor constituency and recommendations for cultivation and outreach which may include long-shots
- The discovery of new sources for philanthropic potential, cultivation of potential donors and/or campaign leaders
- A written case statement for support

Experienced feasibility/planning study consultants analyze key elements as components important to successfully launching a capital campaign. The following executive evaluation summary taken from a recent feasibility/planning study report should provide an approximation of the elements examined in the feasibility/planning study process. A rating of five indicates where the school should be. One (1) is the lowest rating while 10 is the highest.

Model #5
Executive Evaluation Summary of the Feasibility/Planning Study for St. Victory School

	1	2	3	4	5	6	7	8	9
St. Victory public image				X					
Public relations and visibility				X					
Knowledge of the urgency of the need				X					
Opinion of the plan to meet the need						X			
Competing campaigns				X					
Economic outlook				X					
Opinions about St. Victory administration									X
Opinions about the board				X					
Availability of top leadership				X					
Receptiveness to a campaign							X		
Top gift availability		X							
Top 11 gifts available				X					
Feasibility of a $4 million goal		X							
Proposed timing for a campaign								X	
Enthusiasm of interviewees						X			
Adequate funds in the constituency/community					X				
Foundation-corporate support					X				
Availability of volunteers					X				
Adequate funds in the parishes					X				
***Where St. Victory School should be**					X				

"The wealth of a democratic society may be measured by the quality of functions performed by private citizens."
—Alexis de Tocqueville

V. Pre-Campaign Steps

The Mission Statement

Mission is a reason the school exists. The mission gives meaning and direction to programs and activities. It should be stated in brief, concise and succinct terms with essential components described in simple language. Not surprisingly, the amount of effort directed toward defining the mission will predict the results. A well thought-out mission statement based on input from representative constituencies of the educational institution, including administration, faculty, board, major donors, and key volunteers, will obviously be more valuable and useful than one which is assembled less carefully.

A number of important questions should be addressed in the development of a mission statement:

- What does the educational institution do?
- How does the educational institution fulfill its mission?
- Whom in the community does it serve?
- Why does the educational institution exist?
- How is the educational institution distinguished from other competing institutions?

The Long Range Plan

The long range plan for an educational institution must be carefully thought out, arise from its own needs and develop consensus among the institution's constituency. It should not be conceived by an individual or individuals, and not developed only for the purpose of launching a capital campaign.

The goal in formulating a well-received long range planning process is to establish ownership throughout the entire process. Both ownership and consensus building must be fostered by the board, institutional staff, major

donors and the volunteers in order for the planning process, as well as the plan itself, to be implemented successfully. It is imperative that the plan project an institution's programs and services, short and long term goals, specific objectives, along with a realistic time table to accomplish the plan's goals.

Long range plans need to include a detailed financial analysis with appropriate projections. It is imperative that data be extrapolated from the feasibility study report and include specific plans and time tables relevant to philanthropy's role in the capital campaign process. It is also worthwhile to include a standards of giving chart which details the appropriate gifts needed to accomplish the capital campaign's objectives.

The Institutional Case Statement

It is vital to convey in the institutional case statement how a school is distinctive whether a school is planning a multi-million dollar capital campaign or a small annual appeal. The school's case statement should explain the basis for its capital project and should be sufficiently comprehensive to answer any question about the capital campaign.

The following guidelines should be helpful in the research, development and writing of the case statement. The statement should:

- Convey a sense of urgency—emphasizing universal appeal
- Have broad approval
- Be both rational and emotional
- Be supportable
- Center on matters of current interest
- Be brief
- Answer specific questions about: why? what? where? when?
- Be written in simple language to make it easy to remember
- Foster a sense of urgency to move donors to make major gifts

An outline for any school developing a case statement can include:

A. Introduction
- Brief history of organization
- Significant institutional accomplishments
- Current mission
- Description of programs/services
- Distinctive features
- Leadership position among peers

B. Organizational Resources
- Extent of service area
- Characteristics of service area
- Enrollment/beneficiary service statistics
- Summary of operating budget
- Special facilities or equipment
- Staff/board members
- Growth of support/private gifts

C. Goals
- Strategic plans
- Short-term goals
- Long-term goals
- Progress toward goals

D. Fundraising project
- Description of project
- Rationale for project
- Importance of project
- How project will advance organizational goals
- Community benefits of project

E. Campaign statistics
- Overall financial goal of project
- Campaign divisions
- Divisional goals
- Campaign calendar
- Sources of support to date
- Ways of giving
- Tax advantages of giving
- Campaign leadership

"One thing only do I know for certain and that is that man's judgments of value follow directly his wishes for happiness—that, accordingly, they are an attempt to support his allusions with arguments."

—Sigmund Freud,
Civilization and Its Discontents

The institutional case statement defines the needs and projected means to meet those needs of the educational institution. The statement also defines the institutional goals and objectives; it becomes the educational institution on paper.

The institutional case statement may be used as both an internal and external document. Five important uses of the case statement include:

1. Obtaining consensus
2. Recruiting volunteer leadership
3. Securing major gifts
4. Testing the market
5. Obtaining resources for publications and publicity

Other specific uses for the case statement are listed in Model 6.

Model #6
Case Statement Use

Corporations	Foundations	General	Direct Mail	Social Event	New Media
• Brochures • Brief proposal • Fact sheet •Misc. correspondence	• Proposals —General support —Project support	• All purpose brochure • Pledge cards • Volunteer info kits	• Letter copy • Brochure	• Invitations • Journal	• Press kit • News releases

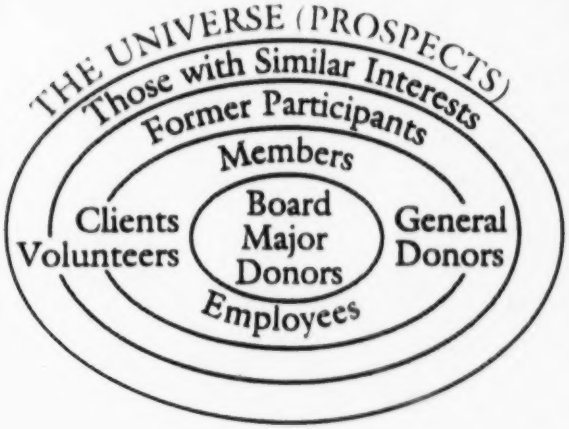
In essence, the case statement is the central piece of literature in a fundraising program. It is the source of inspiration for the program, the reference point for all volunteers and the cause of new concepts for prospects. A

case statement should undergo a stringent revision process prior to becoming the focal institutional document, and must be approved by the board. Generally speaking, case statements average between one to five typed double space pages.

At its heart, the case statement is an institution's most viable marketing tool, not a sales pitch. In preparing the case statement, take the opportunity to focus on the donor's perceptions, motivations, needs and desires. The needs of an educational institution may be related to donor benefits, and opportunities to donate should be made attractive to the philanthropic community. In summation, market the institution's donor involvement by:

A. Inviting—the key prospects to participate in determining how the plan will be presented
B. Encouraging—ownership of the plans among constituents
C. Positioning—the school is the one that listens and responds to the philanthropic marketplace
D. Building—a people powerbase who will hold the sacred trust for long term institutional advancement

Model #7
Case Statement "Sphere of Influence"



"It's not very difficult
to persuade people to do what they
already long to do."
—Aldous Huxley

VI. Phases of the Capital Campaign

The capital campaign is based on a concept often referred to as the campaign plan of action. If any of the steps are rushed in the phasing process, the final steps ultimately become more difficult to execute. It is imperative that all steps be followed maximally, especially in the silent phase of the campaign when 50-60% of the goal in pledges, prior to going public, must be raised.

Planning

All activities necessary to the smooth running of the campaign must be planned and systematically carried out. These activities can include:

- A strategic plan must be in place and ratified by the board.
- An institutional case statement must reflect development opportunities available for investing in the institution over a 3 year period.
- The mission statement must be meaningful to both the institution and its constituency.
- The board must give approval that the capital campaign is needed.
- A development audit should be undertaken prior to the feasibility study to insure sound internal development operations.

Consultant Selection

The development audit and the feasibility study should stand on their own merits and results. In other words, there should not have been any conditions or inherent limitations attached to hiring the consultant for the capital campaign. The consultant should be hired to probe and test and asked to give objective recommendations for positioning the capital campaign, should the internal development audit or the feasibility study process raise serious concerns in its recommendations.

The consultant selection process should include all of the following questions:

- Would a large or small firm better serve the institution?
- Will a part-time freelance consultant be sensitive to the school's specific circumstances?
- Will the institution review five or six suitable proposals?
- Will proposals be based on solutions to a series of questions the institution has provided?
- Is full-time resident counsel feasible or is part-time counsel more sensible, productive, and cost-effective?
- Has the director of development, CEO, and campaign committee prepared a series of interview questions?
- When interviewing a consulting firm, the question should be asked, "Who will be responsible for the capital campaign?"
- Is the individual's track record in similar campaigns, educational institutions, and campaign models appropriate to the institution?
- Will the fee be all-inclusive, or a fee with "plus expenses" that includes airfare, hotel and car rental? Is the fee based on time specifically invested in the campaign?
- Does the firm have campaign specialists who can provide expertise in marketing, prospect research, donor financial planning, planned giving, communications and computer based information systems? Do specialists come at varying rates based upon background and experience?
- Will the consultant provide lists of clients who will state that campaigns have been successful as well as

unsuccessful?

- Will the consulting firm provide at no cost to the client an opportunity to meet the proposed consultant and ask incisive questions about the person's background, experience and assessment of the proposed campaign?

Individual Donor Prospect Research

Successful capital campaigns are 90 percent research and only 10 percent the ASK. Lack of quality research is akin to a ship being without a rudder.

- Detailed research must be completed on the top 150-200 prospects where goals are projected to exceed $3 million and above.
- Where substantial funds will come from the parish or multi-parishes as the base of support for a capital campaign more reliance is placed on the parish volunteers and pastor to evaluate prospects.
- Various interlocking directories such as *Standard & Poor's* and *Who's Who* should be cross-referenced on top prospects. In order to properly identify and direct the campaign to the top 5 to 10 percent, *Boyd's City Dispatch* and the "Potential Plus" electronic screening systems could be utilized.
- In parishes that are a closed constituency, the weekly collections of donor records should be evaluated and assessed.

Organization

Organization is essentially the method by which leadership is secured and the prospective donors are identified. The use of charts and written descriptions is essential prior to enlisting campaign leadership.

Specific areas which come under the organizational phase are:

- Leadership and development identification
- Prospect list acquisition
- Division organizational charts
- Prospect evaluation guidelines
- Reporting systems and forms
- Finalizing prospect lists

- Preparing gift tables for pledges
- Finalizing fund accounting methods
- Approving the campaign plan, administration and board case statement and the campaign time schedule, which consists of
  - Organizational chart
  - Board approval (pre-campaign review)
  - Case video presentation
  - Commemorative opportunities
  - Public relations/awareness activities
  - Names for honorary chairpersons and campaign chairs or co-chairs

Education

Educating all segments of the public is fundamental to a successful capital campaign. All volunteers must be given the opportunity to learn what the institution stands for, as well as how to ask for its financial support.

Volunteers and board members can be educated in a number of settings, using a variety of tools:

- Educational meetings
- Social with video
- Explanation and distribution of campaign literature
- Board member briefing (communication)
- Prospect cultivation/leadership awareness programs
- Major prospect cultivation visits
- Community dinner
- Speakers bureau
- Communications, brochures and question and answer flyers
- Commemorative opportunities

Evaluation

There should be time for evaluating the anticipated levels of giving. Anticipated non-monetary contributions must be evaluated. Care must be taken to establish realistic planning guidelines to avoid possible discouragements or rejections of unnecessary services or equipment.

Specific areas of evaluation include:

- Review of guidelines of giving levels
- Organize committees

- Design rating forms
- Select committee meetings—dates and times
- Identify major, special gifts, foundations, corporations and industry prospects

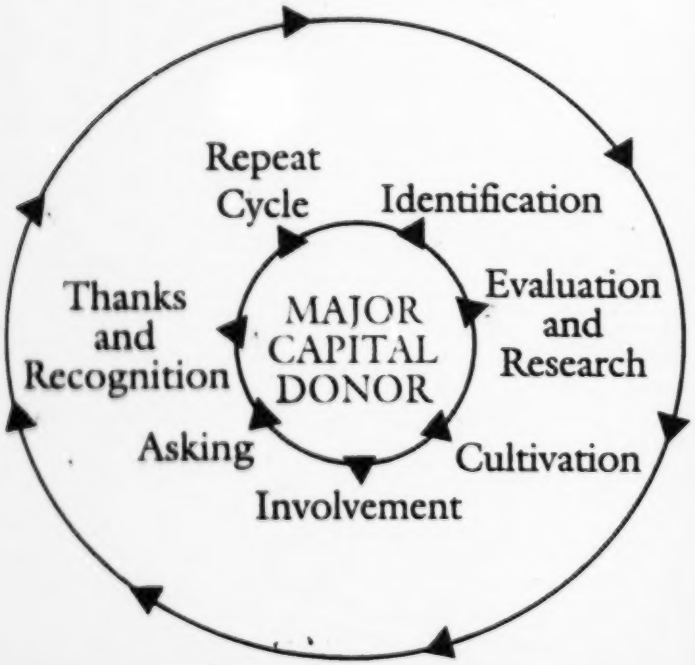
Advanced Major Gifts

The success of the capital campaign depends on the number and size of the advanced major gifts. In the past, 80 percent of the campaign total came from 20 percent of the prospects; today, closer to 95 percent of the total comes from 5 percent of the donors. Therefore, it is imperative that this effort involve all the top leaders.

Important steps that must be accomplished include:

- Secure the board's leadership pledges first prior to implementation
- Establish recognition guidelines and peer assignments
- Solicit advanced major gift prospects (see Model #8)
- Hold weekly report meetings
- Communicate weekly to volunteers

Model #8
Major Capital Gifts Cycle



Sometimes, however, modification may be required to extend the solicitation time frame for a particular division or to spend more time in cultivating major gift prospects. It is unwise to change the campaign master schedule end date for the following reasons:

- Volunteers expect to complete their assignments within a specified reasonable time frame
- Many volunteers sit on other non-profit boards and plan to undertake various philanthropic endeavors once the institution's campaign has been completed
- People need structure and must be given the opportunity to complete a task within a reasonable period of time
- Without a schedule, procrastination sets in and volunteers constantly will ask "When is this campaign going to end?" or "Is this the campaign that never ends?"

VII. Campaign Specifics: Announcements and Materials

The institution's campaign leaders—through the parish bulletin or any currently planned media event at the institution—issue a formal announcement of a constituency-wide fundraising campaign. Pledges from the executive board of the campaign should be secured prior to the public announcement; also, board members should have solicited their peers. One hundred percent board participation is critical to the success of the campaign.

Because there are few truly predictable results in a capital campaign due to the many institutional variables, the general rule for a campaign is that 50-60 percent of the goal should be secured in pledges prior to going public with the campaign's progress. Traditionally, 20 percent of the capital campaign goal comes from both the board and campaign leadership. Another 20 percent comes from leadership gifts where contacts have been made by both the board and the campaign leaders. The CEO, president, or principal of an institution usually will commit themselves to raising 30 percent of the goal prior to publicizing the campaign.

Specific campaign opening activities should include but not be limited to the following:

- Develop the appropriate press releases for the news media
- Organize introductory activities, breakfasts, luncheons, dinners

- Invite a popular personality to speak on behalf of the institution's campaign
- Initiate divisional and regional campaign kick-offs
- Publicize a thermometer to show constant progress toward achieving the goal

Materials

In a capital campaign a full cache of communication and publicity materials must be prepared. They must be distributed to campaign leaders, division chairpersons and volunteer workers for their use in soliciting gifts. All communication articles should be written to provide complete information on the campaign's objective, so prospective donors can make informed decisions about giving.

The following list represents a breakdown of various materials and publications often utilized during a capital campaign:

1. The marketing position paper
2. The case for support and program
3. AV/slide presentation or campaign video woven around the case for the campaign
4. Campaign division newsletters (published on a monthly basis)
5. Campaign logo and theme
6. General campaign materials:
    a. The case summary
    b. Campaign fact sheet
    c. Mission statement
    d. Pledge cards
    e. Letters of intent
    f. Letterhead and envelopes
    g. Campaign brochure with commemorative opportunity listings available to the donor
    h. Question and answer brochure
7. Volunteer worker kit:
    a. Manual of instruction
    b. Tax guides (for a specific calendar year)
    c. Techniques of solicitation
    d. Pledge report envelopes
    e. Matching gift brochures
    f. Gift clubs
    g. Timetables and division plan

8. Proposals (corporate and foundation)
9. Prospecti (individual—key instruments in approaching large gifts. Some approaches will emphasize estate-planning concepts as appropriate.)
10. Publicity releases
11. Campaign goal poster
12. Division goal poster
13. Thermometers (to be displayed in an appropriate public area)
14. Campaign premiums
    a. Calendars
    b. Door prizes
    c. Bumper stickers
15. Campaign bulletins to be distributed in the parishes and neighborhood
16. Pulpit announcement and suggested homilies for the multi-parish phase

The Formal Drive

This step marks the beginning of the broad-based fundraising effort. It continues throughout the final states of the campaign. During this drive all volunteers must be urged to complete their assignments. Strong motivation and direction are essential.

Various campaign activities usually include:

- Assign prospects for special and general gifts
- Educate solicitors to make calls on prospects
- Remind the volunteers, on a daily basis, to make prospect calls
- Hold weekly report meetings for solicitors
- Hold weekly updates and goals by divisions
- Prepare weekly press releases (human interest stories, campaign leadership, major donor biographies)

Planned Giving

It is important to set up a planned giving committee of attorneys, certified public accountants, stock brokers and trust officers. Develop a campaign planned gifts brochure and educate committee members on the specific steps to be followed.

Some specific activities to facilitate planned giving include:

- Distribute planned gift brochures to all campaign volunteers, especially in the major gift phase
- Distribute brochures to banks, clubs, accounting offices, insurance companies and other appropriate businesses

The Final Phase of the Campaign

A traditional approach to complete the final phase of the campaign can be direct mail, or a mail/phone solicitation; direct mail has proved to be the second most effective solicitation method following traditional personal solicitation. An elaborate invitation is mailed to prospective donors announcing the campaign and informing them that they will be contacted within the next two weeks by telephone. Several days later a letter is mailed explaining the specifics of the case; the personalized letter suggests a specific gift request and size. The dollar figure should focus on that specific figure at the inception of the phone call. Direct mail letters should always be personalized and include a specific dollar figure request. Consider including in the P.S. a simple sentence wrap-up summarizing the appeal; this sentence is often the only section donors choose to read.

Another method often used is the parish pulpit appeal. Utilized at the end of the parish campaign drive, this concept follows a specific schematic to insure that this appeal is successful. Usually on the first Sunday a homily is delivered about the merits of the capital campaign. A video may be shown at the same time. Collateral written materials usually include a bulletin insert which explains a breakdown of the different ways of giving through either memorials or gift plans. On the second Sunday, the priest or lay volunteer reiterates the need for the campaign and explains the different ways of giving available to the parishioners. Pledge cards should be placed in pews along with pencils, with parishioners completing pledge cards and the ushers collecting them just prior to the start of the procession of gifts.

Victory Announcement

When the campaign has surpassed the goal, it is important that:

- News releases communicate the success
- "Thank You Victory Dinner" celebrations be held for all volunteers with key celebrities

Campaign Follow-Up

An extensive follow-up system must be established to handle:

- Pledge redemptions: set up billings—weekly, monthly, quarterly, semi-annually/yearly
- Personal visits to those donors who are delinquent by continuing committee members
- Accounting procedural follow-up, that includes letters, thank you up-dates, delinquents receive notices
- Submission of a final report describing the strengths and weaknesses of the campaign
- Solicitation of new constituent prospects

"Thunder is good, thunder is impressive, but it is lightning that does the work."
—Mark Twain

VIII. Campaign Models and Sample Budget

Single parish model

In a mature, vibrant parish community, an intensive parish campaign may be the most viable option for an elementary or parish high school. A feasibility study will identify both the goal and the timing of the campaign.

The single parish campaign traditionally utilizes three phases which include major, special and general gifts. Sometimes goals can be accomplished in a campaign spanning eight to twelve weeks. Where there is a mature constituency, other divisions can be added to the three tier model, which may include alumni/business/industry, foundations and corporations, and planned giving.

Costs to run a campaign utilizing this model averages .02 to .08 cents per dollar contributed. This amount includes campaign budget, staff time and consultant fees.

Multi-parish model

This model is considered to be ideal for a regional elementary school or a regional or diocesan high school. This model enables parishes to maximize the base of support by appealing to an entire deanery or possibly a diocesan-wide constituency. In other words, the potential donor base is sometimes 50 percent greater by implementing this model.

Traditionally, capital campaigns which employ the multi-parish model use an average time frame of 12 to 24 weeks to raise a significant amount of money. When a regional parish school opts not to use parishes as a base of

support, the campaign usually takes from 6 to 12 months for completion. The benefits of a multi-parish model include a short intensive campaign time frame and costs range from .02 to .07 cents per dollar.

Pyramid program

In capital campaign fundraising the pyramid model is generally used. This model features various divisions (parents, major gifts, board, alumni, etc.), each having an established goal, and raising the money in a condensed time frame. The majority of religious sponsored schools have utilized this model since they cannot appeal to the parishes for philanthropic funds.

Campaigns of this nature usually follow the pyramid system, through use of the standards of gift chart or traditional *rule of thirds*. Therefore, it is imperative that these gifts be secured where 50 to 60 percent of the gifts come from the top 20 to 25 gifts. Programs of this nature usually raise between 250 to 500 gifts rather than 1,000 to 2,000 gifts in a multi-parish type program. Cost per dollar for a pyramid program generally average between .06 to .12.

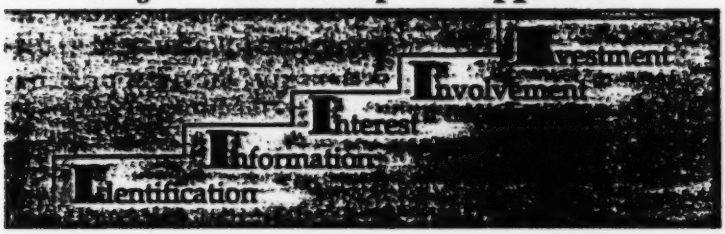
Select major gifts

A number of avenues of thought relate to the role of major gifts in a capital campaign. Some school heads and development professionals do not believe their entire constituency should be approached during a capital campaign, thinking that it diverts funding from other ongoing programs of philanthropic support. Those who have been involved in capital campaigns always hear the concern that the campaign will have a negative impact on the annual fund. There should be no withdrawal from ongoing annual support if the capital campaign has been set up properly. In fact, many times there is an increase in annual giving as people become more aware of the general need for total institutional philanthropic support.

Should an institution contemplate a mini campaign, a select major gifts program may be the more viable approach. Institutional leaders, who have undergone many successful capital campaigns, believe that proper positioning of select major gift prospects can develop into a thriv-

ing program. Within the capital campaign industry a "creme skimming" campaign is utilized whereby the ultimate objective is to secure no more than 200 gifts. Campaigns of this nature often require a lengthy time frame due to the technical aspects of cultivation, involvement, tailored prospectus development and solicitation. Cost on the dollar can vary between .04 to .06 per dollar raised.

Model #9
Major Gifts 5 Step "I" Approach



Credit given to the consulting firm of Gonser, Gerber, Tinker & Stuhr, Naperville, Illinois

When focusing on major gifts, a *moves concept* is applied when orchestrating this particular approach. The major gifts campaign should be designed so that each move accelerates the prospect toward one of the five functions (identification, information, interest, involvement and investment), which lead to the next gifts' objective. Once a prospect is identified, the next four functions should follow in order. Presidents, principals, board members or consultants should focus potential donors on a specific gift objective toward which these five functions are directed.

No one can predict how many approaches are necessary to bring a major gift prospect to the point of making a major gift. For some, it may be two or three approaches, while for others it may take as many as 20 tailored moves strategies. Recognize that major gift prospects give to satisfy their needs, as well as the institution's!

Research suggests that those who make major gifts do so because they believe that the organizations they are investing in are worthwhile. People stand to make major gifts where they have been personally involved in the institutional process, whereby "ownership" has become the by-product.

The process of obtaining major gifts just doesn't happen—someone has to make it happen! The specific task is

to develop the donors to their maximum potential and not be satisfied with obtaining a token donation. Research and evaluation are the key factors in determining the needs of the prospects, and how they can be satisfied by making a major gift to the institution. Financial commitment requires a systematic effort involving the entire board, CEO, development staff and campaign leadership.

Types of contacts for major gifts include phone calls, letters, and personal visits by the campaign leadership, principal, volunteers, or staff. Other methods of contact include awareness programs, involvement as leadership in the campaign and involvement in the events. A typical weighted system in a "moves approach system" very often looks like this:

Cultivation/Moves Contact	Contact Points
Letter from a staff member	1
Phone call from a staff member	1
Letter from a volunteer	2
Invitation from event	2
Phone call from a volunteer	3
Phone call from the principal	3
Visit by a staff member	4
Letter from the principal	4
Visit by a volunteer	5
Attendance at an awareness program	5
Meeting with the CEO	6
Visits to the school	6
Meeting with the board chair	6
Meeting with a Bishop and lay volunteer	7
Meeting with the CEO and lay volunteer	7
Meeting with two volunteers	7
Submission of a prospectus/proposal	7

Model #10
Central Catholic High School
$6,000,000 Capital Campaign

Gift Range	# of Gifts	Total	Cumulative Total	
$1,000,000 +	1	$1,000,000	$1,000,000	
$ 750,000 +	1	750,000	1,750,000	
$ 500,000 +	3	1,500,000	3,250,000	
$ 100,000 +	5	500,000	3,750,000	
$ 50,000 +	10	500,000	4,250,000	
$ 25,000 +	25	625,000	4,875,000	
$ 15,000 +	35	525,000	5,400,000	
$ 10,000 +	50	500,000	5,900,000	
Below $10,000	Many	100,000	6,000,000	

* Number of gifts over $10,000: 155

Looking at Model #10 it is clear that a relatively select number of donors are responsible for the success of the campaign.

Combined Comprehensive Campaign

This utilizes a majority of the sophisticated planned giving vehicles. Often a capital campaign pyramid model is utilized as the structure to jump start the program from one or two years.

This model, traditionally used in universities and medical centers, is a viable option for elementary and secondary schools. The focus is on a multi-year goal combining the results from annual fund, new revenue from the capital campaign, planned giving, federal and state support, and foundation and corporate giving.

The selection of a campaign model to be used in a particular situation will be used by a number of factors including:

- Commitment to quality strategic planning for the school
- Level of sophistication of the development staff
- Maturity of the development program
- Experience and competence of the development staff
- Commitment of the CEO and board

- Quality of campaign leadership
- Urgency of the case for support
- Potential for securing major gifts
- Range and scope of the anticipated campaign effort

In undertaking the capital campaign, understand that an institution must invest its money in order to realize significant funds. Whether or not a school chooses to utilize external counsel, a campaign budget still must be established for a capital campaign. Whether a school raises $500,000 or $2 million, the fixed budget costs sometimes amount to the same.

The following is a sample budget for a capital campaign with a goal of $4 to $5 million conducted over a period of one year:

Model #11
Sample Campaign Budget Expenses for a $4 to $5 Million Campaign

Items	Projected Budget
1 full-time office manager ($1,200 per month x 12 months)	$ 14,400
1 part-time clerk & typist	8,000
General expenses	
Office supplies/equipment	7,000
Photocopy and printing	15,000
Postage	10,000
Telephone (local and long distance)	1,600
A/V Slide show and related materials	8,000
Special meetings and meals	6,000
Miscellaneous and cartage	700
Petty Cash	300
Contingencies	1,000
Community Dinner	10,000
Computer system for the chairperson's office	8,000
Total	$ 90,000
Consultant's fee and expenses	$ 200,000
Combined Total	$ 290,000

Special note: The combined fee of $290,000 represents a cost of almost 7% of a $4 million goal. If $5 million were obtained, the combined budget and consultant fee would represent a cost of 6%.

* With a full-time director of development the fees are closer to $75,000.

The above sample expenses represent a campaign using resident counsel. A growing trend in campaign counsel relationships is to use counsel for a certain number of days per week or per month rather than full time residency for a period of months. This model reduces the cost of campaign counsel substantially.

"There is no one correct capital campaign model for all situations. In fact, there may be opportunities to incorporate features of more than one of the models to best serve a particular situation."
—James Gregory Lord

IX. Benefits of Using External Counsel in the Capital Campaign; Roles of Campaign Leadership

Benefits

The modern day capital campaign fund raiser must go beyond being a technician working within a prescribed time table. Capital campaign fund raisers have evolved whereby they are expected to have developed diversified people skills, to know the art of listening and to understand the various techniques of solicitation. The capital campaign fund raiser must understand that the capital campaign is a modern day science as well as an art.

A school can experience many specific benefits if it conducts a capital campaign:

- Raises the dollars required immediately and long term as well as increases permanent interest in and goodwill for the institution
- Forces an institution to articulate its mission and to set priorities
- Advances the understanding of the institution among its friends and potential friends
- Develops loyalty among the school's constituencies
- Builds a stronger base for the annual fund and planned or deferred giving programs
- Increases and refines information about constituents for better research for future campaigns

- Provides an opportunity for the development staff to receive an invaluable staff training education
- Broadens the base of philanthropic support
- Builds and identifies new leadership
- Becomes a morale booster while working toward the same goal in harmony
- Forces both the staff and volunteers to meet deadlines, keep on schedule and demonstrate that the campaign effort is relatively brief and intense, not long term
- Establishes a follow-up pledge redemption program which keeps the donors involved and continually refills the donor pool
- Should never be thought of as an end unto itself, but the beginning of an accelerated total development program

Often school administrators perceive the contracting of an outside consultant as a defeat for the institution. However, once an institution secures a consultant, it quickly realizes the choice as one of the institution's best investments. Some advantages to utilizing outside professional counsel include:

- Objectivity—the consultant is interested in results and is devoid of the local politics of the institution.
- Experience—the consultant has been through similar campaigns and experience is the best teacher.
- New ideas—the consultant and/or firm can bring new ideas in computer technology, donor financial planning, and training that can enhance the capital campaign effort.
- Voice of authority—the consultant is looked upon as the outside expert or voice of authority and sometimes can achieve the seemingly impossible.
- Keeps everything on schedule—Consultants have one goal in mind: to keep everything on budget, on target, and to achieve the goal within the contractual time frame.
- Development staff support—often it allows the regular development staff to continue their routine development duties, with specialized consultants working on the capital campaign.

Campaign Leadership Roles

In a capital campaign or major gifts program the CEO, principal, president, head, or pastor:

- Acts as liaison between the campaign cabinet, development office and fund raising counsel
- Attends each of the ad hoc and campaign cabinet meetings
- Makes personal visits to the top prospects and is committed to raising personally 30 percent of the goal
- Assists in the selection of campaign leadership
- Commits 40 percent of time weekly for campaign involvement during the brief, intense period
- Enjoys positive relationships with both the campaign chairperson and major gifts chairperson

The chief development officer (eg., vice president for development or director of development):

- Is responsible for monitoring the campaign budget and making sure that the budget is balanced at the end of the campaign
- Works with external professional fund raising counsel in a specifically defined role throughout the campaign
- Prepares, revises and maintains the capital campaign schedule under the guidance and recommendation of professional counsel
- Organizes and conducts cultivation programs and orchestrates the solicitation of volunteers and prospects
- Assists in the coordination of gift evaluations by volunteers
- Provides informational and technical assistance to all volunteers through the solicitation process
- Transcribes and distributes reports and the progress of the campaign at meetings to committee members
- Coordinates the campaign communications program, training for volunteers for solicitation, and phonathons
- Acts as liaison to campaign leadership and coordinates all capital campaign committee activities according to the general plan of the campaign

The ad hoc recruitment and steering committee:

- Screens names of appropriate candidates for top leadership positions
- Shapes policy and direction of the campaign
- Develops an expanding roster of potential candidates for all committees necessary to the success of the capital campaign
- Attends all meetings
- Until campaign leadership is fully operational, acts as the board's operational link to professional counsel and the development office
- Once campaign leadership of fitting stature has been recruited and has assumed the reins of leadership, the ad hoc recruitment committee will cease to exist; its members are encouraged to assume other essential roles in the campaign or become members of the campaign cabinet

The board and campaign cabinet:

- Reviews policy plan and schedules for the capital campaign
- Remains available for consultation on all campaign plans
- Helps identify and solicit key prospects
- Keeps in close contact with the campaign's progress and deals with emerging problems as they develop
- Leads, encourages and pushes to keep all campaign activities on track
- Attends all cabinet meetings
- Monitors the progress of the campaign from initiation to completion
- Solidifies a reasonable and achievable campaign goal
- Participates in the nucleus fund, and is responsible for contributing 20% of the campaign's goal and for raising an additional 20% through personal contacts
- Stands before the entire constituency as responsible for a successful final outcome

"With a good conscience our only sure reward, with history the final judge of our deeds, let us go forth to lead the land we love, asking His blessing and His help, but knowing here on earth God's work must be truly our own."

—John Fitzgerald Kennedy

X. Conclusion

This document has attempted to address many of the specifics regarding the proper positioning steps and procedures for a capital campaign. The ideas derived from this publication must be tailored to an institution's specific situation or circumstances.

The capital campaign has proved to be the most cost effective method for raising a significant amount of money within a condensed timeframe. The capital campaign has a positive impact on all aspects of the institutional development program. Schools have found that competition to obtain volunteers today has become increasingly difficult. In order for schools to thrive, they must learn to market effectively and to compete to capture volunteer attention.

Proper definition of an institution's mission is a key ingredient for obtaining philanthropic funds. Philanthropic understanding and investing stem from the mission of the institution. Today, the value of volunteers is heightened by the increased scrutiny from veteran fundraisers about the long-term impact on capital campaigns that use paid staff to conduct the major portion of solicitations. We believe nothing can replace volunteers as the right entre' for donor solicitation and development staff must be involved in both cultivation as well as direct solicitation. Recent reports indicate that comprehensive stretch goal campaigns may be relics of the past. Today, trustees of institutions are interested in the bottom line, or what new funds have been raised. More and more institutional leaders are realizing that the short-term intensive capital campaign has been the best method for retaining volunteers for a condensed time frame.

When contemplating a capital campaign, it is strongly recommended that outside professional counsel, appropriate to the scope of the campaign and the budget, be

utilized. If the school has a modest budget, it is preferable to bring in outside counsel from the very beginning rather than when the campaign has been underway, and major problems have already developed.

Those who have completed a successful capital campaign know that one comes to really understand the meaning of PHI-LAN-THRO-PY—"human's love for humankind." Understanding the donor is the essence of the successful capital campaign as well as longterm friend-raising for all schools.

Appendix A

Sample Mission Statements

St. Victory School, a co-educational Catholic Elementary School affiliated with St. Victory Parish, serves to foster the [illegible]tional and spiritual development of children from pre-kindergarten through eighth grade by emphasizing basic skills, art, music, physical fitness and religious education.

❖ ❖ ❖

The Mission of Marian High School, an institution sponsored by the I.H.M. Congregation, is to provide a college preparatory education for young women in a community based on belief in Jesus. The curriculum is characterized by a tradition of excellence in an environment and atmosphere conducive to growth and learning. The academic and extra-curricular offerings provide students the opportunity to develop as whole persons and to realize their full potential in order to assume their roles and responsibilities as Christians in society.
(Marian High School, Bloomfield Hills, MI)

❖ ❖ ❖

Mission Statement:

1. To teach the message of Jesus
2. To build community
3. To offer service

The program, curriculum and planning at Holy Cross

Area School is focused on achieving a sensitivity to the spiritual and moral truths taught by Jesus. Students learn to live and grow in a Christian society of work, play and worship...to build community.

(Holy Cross Area School, Portland, OR)

❖ ❖ ❖

Cretin-Durham Hall is committed to Catholic values and academic excellence. We will educate young men and women of diverse abilities, cultures and socio-economic backgrounds for opportunities in life-long learning.

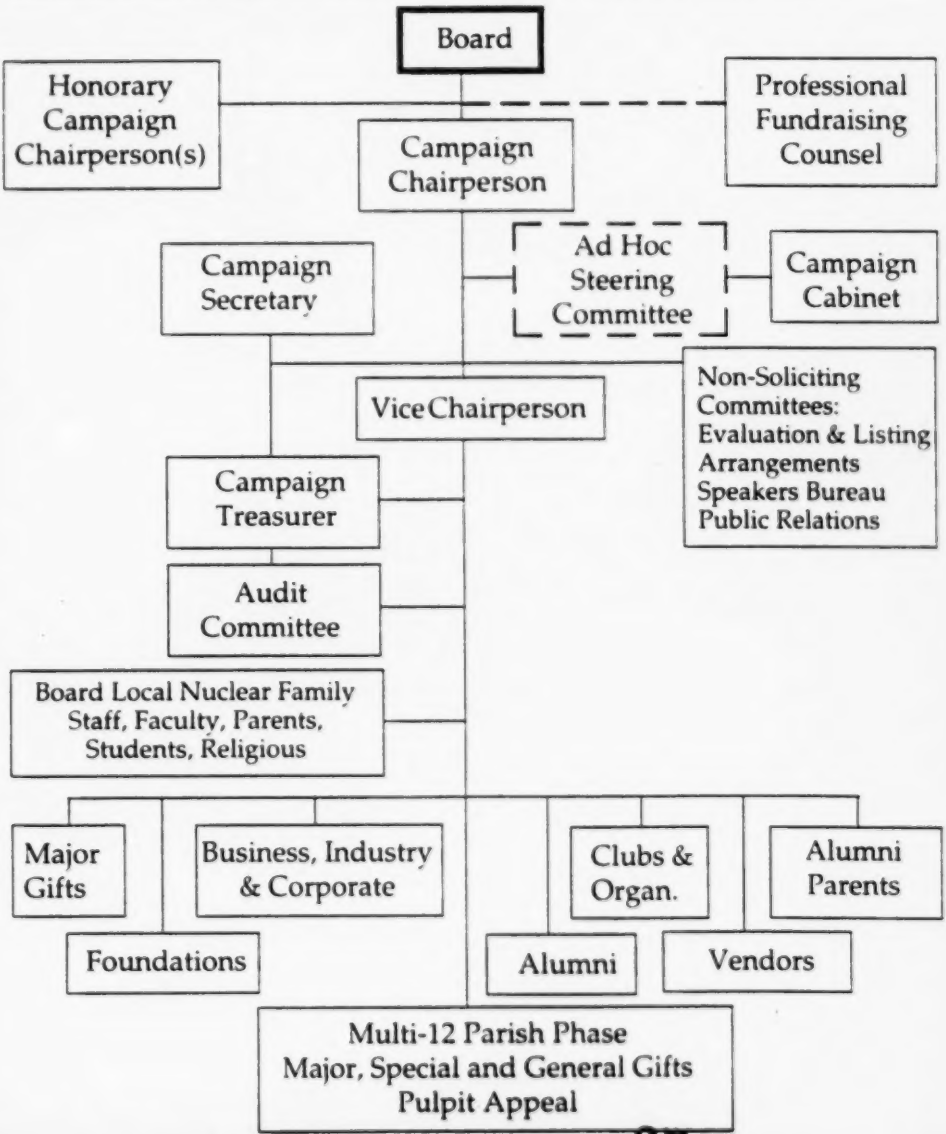
(Cretin-Durham Hall, St. Paul, MN)

❖ ❖ ❖

The mission of Catholic High School is to teach Gospel values in an environment of academic excellence according to Catholic tradition and the spirit of the Brothers of the Sacred Heart.

(Catholic High School, Baton Rouge, LA)

Appendix B
Campaign Organization Leadership Chart



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Appendix D
The Pledge Card

The Pledge Card

- A pledge is a promise made in good faith. It is not legally binding.
- The pledge card has 3 parts:
  1. Left side—The name and address of the person would be the same as that recorded on the center. Print the appropriate names. Detach this part and return it to the team captain. This part is for campaign office record and control purposes.
  2. Middle—The name and address of the family/person to be visited is recorded. When a pledge is received, enter the (amount of) down payment given to you. Mark the appropriate box indicating how the pledge balance will be paid, request the contributor to sign the card, and record the date. This part of the card is returned at the report meeting in the worker envelope.
  3. Right—Detach this part and use it as a temporary receipt. After the report meeting, the campaign office will prepare and mail an official receipt and thank you letter to the contributing person.
  4. Back—Check off appropriate remarks made by the prospect. Write in wording on pledge.

- Please be accurate in making entries on the pledge card. This helps in speeding up acknowledgements and in setting up campaign office records.
- Should a name be spelled incorrectly or an address be incorrect, please print the correction change on the pledge card. In this way, you will be improving the campaign's current records.

Front

TEMPORARY RECEIPT

We acknowledge with thanks your generous subscription of

$_____ Down Payment $_____

Campaign Volunteer_____

Date_____

Proud of Our Past...Belief in Our Future"

CAMPAIGN VOLUNTEERS

Name

Name

Division

Team

In consideraton of others, I/We hereby subscribe to
THE "BUILDING FOR EXCELLENCE CAMPAIGN" FUND

The Amount Of $_____

Down Payment $_____

Balance Due $_____

Payable per Month $_____

For ____Months Date_____ 19___

(Or I prefer to pay as follows)

Memorial/Honorial Plan_____

Office use only		
Currency ( )		Check ( )
Date	Payment	Auditor

Make checks payable to:
"Building for Excellence Campaign"

Signed: Mr. Mrs._____ Miss

"Proud of Our Past...Belief in Our Future"

Assigned to

Name

Name

Division

Team No.

Rating

Gift

Remarks:

NOTE:
RETURN THIS STUB
TONIGHT

Back

Committee Person's Remarks

Place a ✔ Mark in the Appropriate Box

( ) 1. Moved (if known, record NEW ADDRESS BELOW)
( ) 2. Deceased
( ) 3. In-Service
( ) 4. Claims loyalty to another school (List Name)
( ) 5. Not home, dates called
( ) 6. Refer to Campaign Office
( ) 7. Refused (or unable) Reasons appear below
( ) 8. Will contribut at a later date (List time frame)
( ) 9. Will not allow name to be published

_____

_____

_____

( ) Wording on the plaque will be as follows:

Given in ( ) Memory ( ) Honor of

_____

By _____

Wording on plaques will be confirmed before final placement.

Appendix E
A Tale Worth Reading

The magnificent church and hospital of San Giovanni e Paolo in Venice was built as a monastery in the year 1234 on ground given to the Dominicans by the Doge Tiepolo, and with a gift for construction that the Doge made from his personal treasury. In *The Stones of Venice*, John Ruskin writes that according to popular tradition, the Doge's monumental gift was occasioned by a dream. In the Doge's dream the ground on which the monastery would stand was covered with roses and the air was filled with their fragrance. White doves bearing golden crosses flew in the midst of the flowers. Then two angels descended from heaven and Doge heard a loud voice proclaim: "This is the place I have chosen for my preachers." He awoke from his dream, went directly to the Senate, and made his pledge to build the monastery.

MORAL:
The aim of a capital campaign is to captivate the imagination of volunteers and donors to such a degree that the campaign's goals will become the subject of their dreams.

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